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Programme budget for the biennium 1998–1999

First performance report

Report of the Secretary-General

I. Introduction

1. The primary purpose of the first performance report, which is submitted in the first year of the biennium, is to identify adjustments required because of variations in the rates of inflation and exchange and in standards assumed in the calculation of the initial appropriations. This is in conformity with the recommendation of the Advisory Committee on Administrative and Budgetary Questions,[1] endorsed by the General Assembly at its thirty-second session.

2. The performance report also takes into account the additional mandates that the General Assembly and the Security Council have approved after the appropriation of the programme budget, unforeseen and extraordinary items that could not be deferred to the second year of the biennium, and decisions of policy-making organs that are best dealt with in the context of the present report.

3. Decreased net requirements of $43,648.400 are presented as follows:

Resolution 52/221 A	*Initial appropriation*	*Revised estimates*	*Increase/decrease*	
	(Thousands of United States dollars)		*(Percentage)*	
Expenditure	2 532 331.2	2 484 130.3	(48 200.9)	(1.9)
Income	363 840.3	359 287.8	(4 552.5)	(1.3)
Net requirements	2 168 490.9	2 124 842.5	(43 648.4)	(2.0)

4. Explanation of the variations in the costing parameters assumed in the calculation of the initial appropriations are detailed in paragraphs 17 to 24 of the present report. In

[1] See *Official Records of the General Assembly, Thirty-second Session, Supplement No. 8* (A/32/8).

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addition, the following schedules and annexes provide the costing parameters used in the initial appropriation, the proposed revisions for the biennium 1998–1999, and their effect on budget sections, duty stations and major objects of expenditure:

(a) Schedule 1 contains the rates of exchange and inflation used in the initial appropriations for the biennium 1998–1999 and the rates now proposed in the present report;

(b) Schedule 2 contains information on the post adjustment multipliers used to calculate Professional salaries in the initial appropriations, the actual post adjustment multipliers for 1998, as promulgated by the International Civil Service Commission (ICSC), and the revised rates now proposed for 1999;

(c) Schedule 3 contains the actual United Nations operational rates of exchange in effect for the first 11 months of 1998;

(d) Schedule 4 contains information on cost-of-living adjustments for staff in the General Service and related categories assumed in calculating the initial appropriations for the biennium 1998–1999, the adjustments actually effected in 1998 and revised assumptions for 1999;

(e) Annex I.A contains estimated additional requirements by section, subsection and main determining factor;

(f) Annex I.B contains estimated additional requirements by duty station and main determining factor;

(g) Annex II contains the distribution of estimated additional requirements or decreases by section and main object of expenditure;

(h) Annex III contains an explanation of changes for matters listed under paragraph 12, Decisions of policy-making organs.

II. Expenditure sections

5. The changes required as a result of the factors mentioned above would yield a reduction of $48,200,900 for a total of $2,484,130,300. Details are as follows:

		(Thousands of United States dollars)	
Programme budget		2 532 331.2	
(a)	*Unforeseen and extraordinary expenses*	2 764.3	(In respect of peace and security, the International Court of Justice and interorganizational security measures in accordance with resolution 52/223)
(b)	*Decisions of policy-making organs*	5 326.3	
(c)	*Variations in budgetary assumptions*		

	(Thousands of United States dollars)	
Changes in exchange rates	(27 582.9)	(Based on the average of the United Nations operational rates of exchange)
Changes in inflation assumptions	(11 687.0)	(Based on consumer price indices and actual versus budgeted cost-of-living adjustments)
Adjustments to standard salary costs	(17 021.6)	(Based on analysis of actual payroll data, vacancy, common staff costs, ICSC recommendations)
Revised total	**2 484 130.3**	

6. In the context of the current session of the General Assembly, the Secretary-General has issued revised estimates and statements of programme budget implications in response to draft resolutions considered by the Main Committees. Thus far, the amounts proposed in those documents amount to $31,347,200 and relate to the programme budget implications arising from the recommendations of the United Nations Joint Staff Pension Fund, amounting to a decrease of $625,400; increases in requirements for the special session of the Committee on Contributions ($94,800); Committee on Torture ($19,000); Committee on the Elimination of Racial Discrimination ($33,200); the tenth progress report on the Integrated Management Information System ($6,500,000); and the United Nations Human Rights Verification Mission in Guatemala (MINUGUA) ($25,106,500) and the Central American peace process ($219,100).

7. Furthermore, it is anticipated that a number of resolutions yet to be submitted to the General Assembly (related to the United Nations/OAS International Civilian Mission in Haiti (MICIVIH), the special missions to Afghanistan and Bougainville) at the time of preparation of the present report would give rise to programme budget implications. These are preliminarily estimated in the range of $13 million to $16 million.

8. Consistent with established practice, these revised estimates and programme budget implications have not been taken into account in the present performance report, except for the revised estimates resulting from resolutions and decisions of the Economic and Social Council at its substantive session of 1998, which have been included in accordance with document A/C.5/53/2. Once approved by the Fifth Committee, at initial appropriated rates, they will be recosted within the approved costing parameters proposed in the present report.

A. Unforeseen and extraordinary expenses (increase: $2,764,300)

9. Under the terms of General Assembly resolution 52/223 of 22 December 1997, the Secretary-General is authorized, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, to enter into commitments to meet unforeseen and extraordinary expenses, provided that the concurrence of the Committee shall not be

necessary for such commitments, not exceeding a total of $5 million in any one year, as the Secretary-General certifies relate to the maintenance of peace and security, such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by a number of situations in the Court as prescribed in paragraph 1 (b) of resolution 52/223 and such commitments, not exceeding a total of $500,000 as the Secretary-General certifies are required for interorganizational security measures.

10. Under the provisions of the resolution, commitments in the amount of $2,764,300 have been entered into, as follows:

(a) Certified by the Secretary-General as relating to the maintenance of peace and security ($2,520,800);

(b) Certified by the President of the International Court of Justice as relating to unforeseen expenses relating to the Court ($223,600);

(c) Commitments for interorganizational security measures ($19,900).

11. These expenses relate to budget sections 3, 5, 30 and 32, as follows:

(a) *Certified by the Secretary-General as relating to the maintenance of peace and security*

(i) Section 3. *Peacekeeping operations and special missions* ($2,372,700)

United States dollars

a.	Appointment of the Special Envoy of the Secretary-General in Africa; and the appointment of the Representative and Regional Humanitarian Adviser of the Secretary-General for the Great Lakes Region and the establishment of the related office (S/1997/994 and S/1997/995)	846 900
b.	Establishment of a liaison office in Conakry for the Special Envoy of the Secretary-General in Sierra Leone (S/1997/958, S/1997/980, S/PRST/1998/5, S/1998/249 and S/RES/1162)	456 700
c.	Establishment of a United Nations Office in Bougainville, Papua New Guinea (S/PRST/1998/10)	684 000
d.	Good offices mission of the Personal Representative of the Secretary-General for the settlement of the controversy between Guyana and Venezuela	55 200
e.	Good offices mission of the Personal Representative of the Secretary-General to East Timor	329 900

(ii) Section 32. *Staff assessment* ($148,100)

(b) *Certified by the President of the International Court of Justice as relating to unforeseen expenses relating to the Court*

Section 5. *International Court of Justice* ($223,600)

Pursuant to the provisions of paragraph 1 (b) (i) of General Assembly resolution 52/223 on unforeseen and extraordinary expenses for the biennium 1998–1999 and in accordance with the Statute of the International Court of Justice and General Assembly

resolution 48/252 of 26 May 1994, additional requirements arise for 1998 in respect of payment of fees and travel costs of ad hoc judges for the cases concerning:

		United States dollars
a.	Gabčíkovo-Nagymaros Project (Hungary v. Slovakia)	33 000
b.	Questions of interpretation and application of the 1971 Montreal Convention arising from the aerial incident at Lockerbie (Libyan Arab Jamahiriya v. United Kingdom of Great Britain and Northern Ireland, and Libyan Arab Jamahiriya v. United States of America)	29 000
c.	Land and maritime boundary between Cameroon and Nigeria (Cameroon v. Nigeria)	78 000
d.	Oil platforms (Islamic Republic of Iran v. United States of America)	5 100
e.	Maritime delimitation and territorial questions between Qatar and Bahrain (Qatar v. Bahrain)	5 000
f.	Application of the Convention on the Prevention and Punishment of the Crime of Genocide (Bosnia and Herzegovina v. Yugoslavia (Serbia and Montenegro))	8 500
g.	Fisheries jurisdiction (Spain v. Canada)	65 000

(c) *Commitments for interorganizational security measures*

Section 30. *Special expenses* ($19,900)

In accordance with section IV of General Assembly resolution 36/235 of 18 December 1981 and resolution 52/223, commitments were entered into for interorganizational security measures, consisting of the United Nations share of the cost of chartering aircraft to evacuate staff and dependants from Indonesia in May 1998, Eritrea in June 1998, and the Democratic Republic of the Congo in August 1998, and travel of a security coordination officer to Indonesia to assist the designated official in the management of security.

B. Decisions of policy-making organs (increase: $5,326,300)

12. Section 3. *Peacekeeping operations and special missions* ($4,697,600)

(a) Office of the Special Envoy of the Secretary General in Sierra Leone ($239 200)

(b) The total amount of $4,936,800 requested arising from actions taken by the Security Council regarding good offices, peacemaking and preventive diplomacy missions, on the basis of requests from Governments and/or recommendations by the Secretary-General relate to the following (see annex III for details):

(i) Office of the Representative of the Secretary-General in Cambodia $634 400

(ii) United Nations Peace-building Support Office in in Liberia (UNOL) $1 627 000

(iii) United Nations Office in Burundi $1 089 700

(iv) Special Envoy of the Secretary-General in Africa and the Representative and Regional Humanitarian Adviser of the Secretary-General for the Great Lakes Region $1 585 700

13. Section 5. *International Court of Justice* ($311,700)

In accordance with the recommendations of the Advisory Committee on Administrative and Budgetary Questions as contained in its report (A/53/7/Add.6) regarding the comprehensive review of the conditions of service and compensation for the members of the International Court of Justice on the basis of the proposals of the Secretary-General submitted in document A/C.5/53/11 for consideration by the General Assembly, an additional amount of $311,700 would be required for 1999.

14. Section 7A. *Economic and social affairs* ($92,900)

By annex I to its resolution 1998/46 on further measures for the restructuring and revitalization of the United Nations in the economic, social and related fields, the Economic and Social Council decided to merge the Committee on New and Renewable Sources of Energy and on Energy for Development and the Committee on Natural Resources into a single expert body to be named the Committee on Energy and Natural Resources for Development. The merger would thus result in a reduction of requirements of $92,900.

15. Section 11A. *Trade and development* ($60,000)

In annex I to resolution 1998/46, the Economic and Social Council decided on the restructuring of the Commission on Science and Technology for Development. By that resolution, it was decided that the Commission would remain a functional commission of the Council, that it would continue to meet biennially for two weeks and that its membership would be reduced from 53 to 33. The related costs for the 1999 session of the restructured Commission would thus result in a reduction of requirements in the amount of $60,000.

16. Section 32. *Staff assessment* ($469,900)

(a) Office of the Special Envoy of the Secretary-General in Sierra Leone $9 200

Of the appropriation of $61,300 granted by the General Assembly under staff assessment, the expenditures incurred for the period from 1 January to 12 July 1998 amounted to $70,500. An additional appropriation of $9,200 would thus be required under the regular budget.

(b) Revised estimates in respect of actions taken by the Security Council regarding good offices, peacemaking and preventive diplomacy missions $460 700

C. Changes in exchange rates (decrease: $27,582,900)

17. The basis for recosting can be either the average operational rates of exchange experienced so far in the biennium (the averaging method) or the operational rates in effect at the time of recosting (the latest rate). It will be recalled that, in its report for the biennium ending 31 December 1995, the Board of Auditors had recommended that budgetary assumptions relating to operational exchange rates be based on an averaging method instead of the latest available exchange rates. The Secretary-General had indicated that it would not be advisable to predetermine whether the averaging method or the latest month should

be used for budget forecasting and recosting and that such decision should be taken at the time of each recosting. This was reported to the General Assembly and agreed to by the Advisory Committee on Administrative and Budgetary Questions (A/51/7/Add.6, para. 5), which indicated that the Secretary-General should use such rates as would allow for the lowest estimates. In the present performance report, the average of the January–to–November 1998 operational rates has been used. Adjustments resulting from actual experience in 1999 would be implemented in the second performance report.

18. The reduction of $27.6 million reflects the favourable average operational rates experienced from January to November 1998 apply to 1998 and 1999. The application to 1998 and 1999 of the average rate experienced in respect of the Swiss franc through November 1998 of 1.46 to the dollar compared with an assumption of 1.42 in the initial appropriations for both years results in a reduction of requirements by $15.3 million. With respect to the Austrian schilling, the January through November 1998 average of 12.45 vis-à-vis the assumption of 12.30 in the initial appropriations results in a reduction of requirements of $1.2 million. The balance of $11.1 million in currency savings applies to other duty stations.

19. Details regarding operational rates at all duty stations are included in schedules 1 and 3. These schedules provide the averages of the actual operational rates through November 1998, as proposed for 1998 and 1999. Since the setting of the November 1998 United Nations operational rates of exchange, the dollar has continued to fluctuate. As stated in paragraph 17, adjustments resulting from actual experience in 1999 will be reflected in the second performance report.

D. Inflation (decrease: $11,687,000)

20. Schedules 1, 2 and 4 contain revised inflation rates that affect all objects of expenditure. These are based on promulgated post adjustment multipliers and the latest available information on consumer price indices. The revised rates proposed are, in almost all instances, lower than had been initially foreseen.

E. Adjustments to standard costs (decrease: $17,021,600)

21. Revisions to standard salary costs for 1998 are based on the actual averages reached so far in the biennium, by category and level, at each duty station. Projections for 1999 are based on the trends experienced in 1998. An amount of $700,000 reflects salary average costs higher than had been projected in the initial appropriation.

22. Common staff costs are budgeted as a percentage of net salaries for each duty station. Expenditures under common staff costs relate to allowances and benefits, appointment, transfer and separation of staff. These relate to actual payroll experience to date in the biennium, as well as to experience relating to the ratio of common staff costs to salaries. A net increase of $5.7 million is anticipated relating to adjustments to the rates of common staff costs in respect of Geneva, Vienna, Beirut, Nairobi, the United Nations Relief and Works Agency for Palestine Refugees in the Near East and the United Nations Truce Supervision Organization.

23. The financial implications of the recommendations and decisions of ICSC[2] contained in paragraphs 26 and 27 of the statement of the Secretary-General (A/C.5/53/4), as well as other adjustments amounting to approximately $2.5 million have been taken into consideration in adjustments to standards.

24. While the average vacancy rate for the biennium can only be determined at the end of the biennium, on the basis of experience to date in the biennium, the 1998 realized level of vacancies has slightly exceeded 10 per cent for the Professional category and above. The higher than previously assumed vacancy rate for the Professional category and above for 1998 is the result of relatively high levels of separations throughout 1998, despite active recruitment efforts and an absence of any restrictions on recruitment activity. The increase of the 1998 vacancy factor in the adjustments to standards for 1998 reflect only vacancies occurring in 1998 and would have no impact on the ability of the United Nations to recruit in 1999. For 1999, the initial appropriation vacancy rates of 5 per cent for Professionals and 2.5 per cent for General Service are retained. The adjustment to the 1998 vacancy rate would generate reduced requirements of $25.9 million.

F. Conclusion

25. On the basis of the elements described in the present report, the level of resources for the biennium 1998–1999 would be $2,484,130,300.

III. Income sections

Income section 1. *Income from staff assessment*

26. With the changes described under the expenditure sections above, a decrease of $4.5 million would result.

Income section 2. *General income*

27. The decrease of $158,200 is attributable to recosting with the application of revised exchange rates.

Income section 3. *Services to the public*

28. The increase in net revenue ($302,400) results from recosting, with the application of revised exchange rates and inflation factors to both revenue and expenditure estimates.

[2] Ibid., *Fifty-third Session, Supplement No. 30* and corrigendum (A/53/30 and Corr.1).

Schedule 1

Rates of exchange and inflation included in the initial appropriation and in the present report by main duty station

	Rates of exchange 1998–1999			*Rates of inflation applicable non-post objects of expenditure*			
	Initial appropriation[a]	*Performance report*		*Initial appropriation*		*Performance report*	
Main duty station (currency)	*1998/1999*	*1998*[b]	*1999*[c]	*1998*	*1999*	*1998*	*1999*
New York (United States dollars)	—	—	—	2.4	2.7	1.7	2.4
Geneva (Swiss francs)	1.42	1.46	1.46	1.0	1.3	0.2	0.9
Vienna (Austrian schillings)	12.30	12.45	12.45	2.5	2.1	1.1	1.5
The Hague (Netherlands guilders)	1.99	2.01	2.01	3.0	2.6	2.2	2.3
Bangkok (Thai bahts)	40.00	41.17	41.17	9.7	7.0	9.8	7.0
Santiago (Chilean pesos)	420.00	451.55	451.55	4.3	6.0	5.2	4.8
Mexico City (Mexican pesos)	8.10	8.78	8.78	17.9	18.8	15.3	13.3
Addis Ababa (Ethiopian birr)	6.81	7.06	7.06	5.0	5.0	2.4	2.4
Nairobi (Kenyan shillings)	64.00	60.45	60.45	10.0	10.0	10.5	9.0
Port-of-Spain (Trinidad and Tobago dollars)	6.25	6.24	6.24	3.5	3.5	5.8	5.8
Amman (Jordanian dinars)	0.71	0.71	0.71	5.0	5.0	4.3	4.3
Beirut (Lebanese pounds)	1 541.00	1 512.18	1 512.18	7.5	7.5	4.9	4.9
UNRWA (new shekels)	3.56	3.67	3.67	10.0	10.0	4.0	4.0
UNTSO (new shekels)	3.56	3.67	3.67	10.0	10.0	4.0	4.0
UNMOGIP (rupees)	36.10	40.44	40.44	8.4	8.4	16.5	16.5
United Nations information centres[d]	—	—	—	2.7	2.7	1.7	2.4

[a] December 1997 rate of exchange.

[b] Actuals January through November 1998 average (see schedule 3).

[c] November 1998 rate of exchange.

[d] Combined effect of inflation and exchange rate changes.

Schedule 2
Post adjustment multipliers for 1998 applicable to staff in the Professional category and above

	Initial appropriation		*First performance report*		*Monthly actuals for 1998[a] Base 100 = multiplier 0 (zero)*										
Duty station	*1998*	*1999*	*1998[b]*	*1999*	*Jan.*	*Feb.*	*Mar.[c]*	*April*	*May*	*June*	*July*	*Aug.*	*Sept.*	*Oct.*	*Nov.*
New York	147.6	151.4	144.0	146.9	147.0	147.0	142.6	142.6	142.6	142.6	142.6	142.6	142.6	142.6	146.5
Geneva	162.8	162.8	155.7	154.0	158.7	158.7	153.9	149.3	149.3	152.0	148.4	152.0	152.0	161.0	166.7
Vienna	142.3	144.1	137.8	136.5	140.2	138.2	134.0	133.1	135.0	137.0	135.0	136.0	134.0	143.3	145.5
The Hague	130.4	133.2	128.9	127.6	127.7	125.5	123.9	123.9	127.0	128.1	126.0	126.0	126.5	134.5	136.4
Bangkok	117.0	125.5	111.6	116.9	104.1	104.1	109.7	109.7	109.7	109.7	110.9	110.9	110.9	110.9	116.9
Santiago	135.5	136.5	130.6	129.0	135.5	135.5	131.4	131.4	131.4	131.4	130.6	130.6	130.6	130.6	129.0
Mexico	118.6	126.1	109.0	108.3	113.6	113.6	110.2	110.2	110.2	110.2	109.6	109.6	109.6	109.6	105.5
Addis Ababa	135.8	139.6	119.4	118.1	134.7	134.7	130.6	118.6	118.6	118.6	118.2	118.2	118.2	118.2	117.6
Nairobi	119.1	125.4	120.1	125.0	117.4	122.4	118.7	118.7	118.7	118.7	120.5	120.5	120.5	120.5	122.0
Port-of-Spain	122.2	125.2	118.1	120.1	121.8	121.8	118.1	118.1	118.1	118.1	118.1	118.1	118.1	118.1	118.1
UNMOGIP	129.9	137.1	119.5	127.6	126.4	126.4	121.3	121.3	121.3	121.3	117.5	117.5	117.5	117.5	120.0
UNTSO	129.3	135.0	122.6	123.5	128.1	128.1	123.8	123.8	123.8	123.8	122.8	122.8	122.8	122.8	119.7
UNRWA	129.3	135.0	122.6	123.5	128.1	128.1	123.8	123.8	123.8	123.8	122.8	122.8	122.8	122.8	119.7
Beirut	152.5	153.4	148.2	148.1	152.5	152.5	148.2	148.2	148.2	148.2	148.2	148.2	148.2	148.2	148.3

[a] ICSC/CIRC/PAC/277–287.

[b] Average of post adjustment multiplier promulgated monthly by ICSC from January to November 1998.

[c] Consolidation of 3.1 points effective 1 March 1998 as promulgated by ICSC.

Schedule 3

Rates of exchange for 1998

Duty station	*Initial appropriation 1998-1999*	*Performance report 1998-1999*[a]	*Variances as a percentage*	*Monthly operational rates of exchange (actuals through November)*										
				Jan.	*Feb.*	*March*	*April*	*May*	*June*	*July*	*Aug.*	*Sept.*	*Oct.*	*Nov.*
Geneva	1.42	1.46	(2.9)	1.46	1.46	1.46	1.51	1.51	1.48	1.52	1.48	1.48	1.39	1.34
Vienna	12.30	12.45	(1.2)	12.50	12.70	12.70	12.80	12.60	12.40	12.60	12.50	12.70	11.80	11.60
The Hague	1.99	2.01	(0.8)	2.02	2.06	2.02	2.08	2.02	2.00	2.04	2.04	2.03	1.89	1.86
Bangkok	40.00	41.17	(2.9)	47.50	47.07	42.47	38.30	38.40	40.00	41.40	40.50	41.50	38.99	36.78
Santiago	420.00	451.55	(7.0)	433.00	445.00	445.00	445.00	445.00	450.00	450.00	460.00	467.00	467.00	460.00
Mexico	8.10	8.78	(7.8)	8.10	8.16	8.35	8.40	8.40	8.50	8.70	8.70	9.50	9.90	9.90
Addis Ababa	6.81	7.06	(3.5)	6.81	6.88	6.94	6.93	7.00	7.09	7.04	7.14	7.25	7.27	7.27
Nairobi	64.00	60.45	5.9	62.00	60.00	60.00	60.00	60.00	63.00	60.00	60.00	60.00	60.00	60.00
Port-of-Spain	6.25	6.24	0.1	6.25	6.24	6.24	6.24	6.24	6.24	6.24	6.24	6.24	6.24	6.24
UNMOGIP	36.10	40.44	(10.7)	39.20	38.30	38.30	39.30	39.44	39.44	42.09	42.23	42.20	42.26	42.03
UNTSO	3.56	3.67	(3.1)	3.45	3.55	3.55	3.57	3.71	3.62	3.64	3.63	3.71	3.81	4.18
UNRWA	3.56	3.67	(3.1)	3.45	3.55	3.55	3.57	3.71	3.62	3.64	3.63	3.71	3.81	4.18
Beirut	1 541.00	1 512.18	1.9	1 522.00	1 520.50	1 519.00	1 516.00	1 514.50	1 513.00	1 511.00	1 508.00	1 504.00	1 504.00	1 502.00

[a] Average of United Nations operational rates of exchange through November 1998.

Schedule 4
General Service salaries: changes in local currency terms (percentages)

Duty station	*Rates of increase initial appropriation 1998–1999 (Previous year = 100)*		*Adjusted rates in performance report*	*Increases (Previous scale = 100)*	
New York	1998	2.4	1.8	1 January	1.8
	1999	2.4	2.0	1 January	2.0
Geneva	1998	—	—	—	—
	1999	—	—	—	—
Vienna	1998	—	—	—	—
	1999	—	—	—	—
The Hague	1997			1 July	2.1[a]
	1998	1.3	1.2	1 July	2.3
	1999	1.3	2.2	1 July	2.0
Bangkok	1998	3.6	18.0	1 January	18.0
	1999	3.6	15.0	1 January	15.0
Santiago	1998	3.3	0.3	1 September	1.0[b]
	1999	3.3	5.7	1 January	5.0
Mexico	1997			1 November	6.3[a]
	1998	12.0	11.3	1 May	17.0
	1999	10.0	12.1	1 May	10.0
Addis Ababa	1997			1 July	5.4[a]
	1998	4.8	4.6	1 January	4.6
	1999	4.5	4.6	1 January	4.6
Nairobi	1998	6.6	8.0	1 January	8.0[b]
	1999	8.0	8.0	1 January	8.0
Port-of-Spain	1998	2.4	2.4	1 April	3.2[b]
	1999	3.1	3.1	1 April	3.2
UNTSO	1997			1 September	8.7[a]
	1998	9.9	6.3	1 January	6.3[b]
	1999	6.2	6.3	1 January	6.3
UNMOGIP	1998	1.9	2.6	1 June	4.5
	1999	6.5	4.5	1 June	4.5

[a] Cost-of-living adjustments promulgated retroactively.

[b] Projections.

Annex I

A. Biennium 1998–1999 by section, subsection and main determining factor

(Thousands of United States dollars)

Expenditure sections		Initial appropriation (resolution 52/221 A)	Projected changes: Unforeseen and extraordinary	Projected changes: Decisions of policy-making organs	Projected changes: Exchange rates	Projected changes: Inflation	Projected changes: Adjustment to standards	Additional requirement/ decrease	Revised estimates
1A.	Overall policy-making, direction and coordination	41 454.5	—	—	(172.0)	(210.1)	(307.6)	(689.7)	40 764.8
1B.	General Assembly affairs and conference services	436 829.2	—	—	(4 465.5)	(835.8)	(3 874.1)	(9 175.4)	427 653.8
2A.	Political affairs	42 061.5	—	—	—	(89.7)	(737.9)	(827.6)	41 233.9
2B.	Disarmament	13 310.6	—	—	(60.4)	(96.4)	(177.9)	(334.7)	12 975.9
3.	Peacekeeping operations and special missions	146 760.6	2 372.7	4 697.6	(2 551.6)	(1 564.1)	(4 145.0)	(1 190.4)	145 570.2
4.	Peaceful uses of outer space	3 967.3	—	—	(44.6)	(20.8)	32.9	(32.5)	3 934.8
5.	International Court of Justice	20 479.3	223.6	311.7	(103.1)	(6.8)	(245.1)	180.3	20 659.6
6.	Legal affairs	33 035.4	—	—	(76.8)	(114.5)	(394.9)	(586.2)	32 449.2
7A.	Economic and social affairs	109 262.3	—	(92.9)	(64.9)	(76.5)	(2 069.6)	(2 303.9)	106 958.4
8.	Africa: New Agenda for Development	5 385.2	—	—	(17.5)	(63.2)	(74.5)	(155.2)	5 230.0
11A.	Trade and development	96 296.9	—	(60.0)	(2 570.0)	88.4	(458.9)	(3 000.5)	93 296.4
11B.	International Trade Centre UNCTAD/WTO	19 812.7	—	—	—	—	—	—	19 812.7
12.	Environment	8 807.4	—	—	196.7	(72.9)	(174.6)	(50.8)	8 756.6
13.	Human settlements	12 790.3	—	—	481.7	(126.9)	(556.4)	(201.6)	12 588.7
14.	Crime control	5 413.6	—	—	(60.1)	(28.0)	31.8	(56.3)	5 357.3
15.	International drug control	14 825.5	—	—	(157.1)	(77.8)	137.8	(97.1)	14 728.4
16A.	Economic and social development in Africa	86 718.0	—	—	(2 073.2)	(4 924.3)	(297.8)	(7 295.3)	79 422.7
16B.	Regional commissions (New York Office)	1 208.4	—	—	—	(3.2)	(20.1)	(23.3)	1 185.1
17.	Economic and social development in Asia and the Pacific	56 167.5	—	—	(1 197.5)	2 575.3	(869.4)	508.4	56 675.9
18.	Economic development in Europe	44 875.4	—	—	(1 215.2)	109.4	(220.0)	(1 325.8)	43 549.6
19.	Economic and social development in Latin America and the Caribbean	87 906.9	—	—	(5 191.2)	418.9	(450.6)	(5 222.9)	82 684.0
20.	Economic and social development in Western Asia	49 925.0	—	—	660.3	(838.9)	5.9	(172.7)	49 752.3
21.	Regular programme of technical cooperation	43 567.7	—	—	(611.9)	(300.6)	—	(912.5)	42 655.2
22A.	Human rights	41 563.4	—	—	(1 071.9)	(37.1)	(285.9)	(1 394.9)	40 168.5
22B.	New York, Missing persons in Cyprus	638.1	—	—	(17.2)	(6.9)	—	(24.1)	614.0
23.	Protection of and assistance to refugees	46 005.9	—	—	(1 245.4)	107.2	183.3	(954.9)	45 051.0

Expenditure sections		Initial appropriation (resolution 52/221 A)	Projected changes: Unforeseen and extraordinary	Projected changes: Decisions of policy-making organs	Projected changes: Exchange rates	Projected changes: Inflation	Projected changes: Adjustment to standards	Additional requirement/ decrease	Revised estimates
24.	Palestine refugees	21 221.8	—	—	(625.4)	(337.2)	1 545.6	583.0	21 804.8
25.	Humanitarian assistance	17 933.7	—	—	(109.7)	(35.8)	(205.0)	(350.5)	17 583.2
26.	Communications and public information	138 040.4	—	—	(175.0)	(738.5)	(1 552.9)	(2 466.4)	135 574.0
27.	Administrative services	446 190.7	—	—	(2 642.1)	(2 393.6)	(255.5)	(5 291.2)	440 899.5
A.	Administration, Office of the Under-Secretary-General for Management	11 295.3	—	—	—	(32.5)	(172.5)	(205.0)	11 090.3
B.	Administration, Office of Programme Planning, Budget and Accounts	21 267.6	—	—	—	(76.5)	(302.9)	(379.4)	20 888.2
C.	Administration, Office of Human Resources Management	45 354.7	—	—	—	(224.1)	(454.8)	(678.9)	44 675.8
D.	Administration, Support Services	223 106.2	—	—	(26.6)	(1 441.3)	(142.6)	(1 610.5)	221 495.7
F.	Administration, Geneva	102 584.5	—	—	(2 775.4)	(346.7)	390.8	(2 731.3)	99 853.2
G.	Administration, Vienna	30 748.9	—	—	(356.4)	(356.3)	665.2	(47.5)	30 701.4
H.	Administration, Nairobi	1 833.5	—	—	516.3	83.8	(238.7)	361.4	12 194.9
28.	Internal oversight	18 359.6	—	—	13.1	(29.3)	(401.9)	(418.1)	17 941.5
29.	Jointly financed administrative activities	5 627.4	—	—	398.7	(179.7)	(22.2)	196.8	5 824.2
30.	Special expenses	52 837.0	19.9	—	(185.7)	(69.1)	82.2	(152.7)	52 684.3
31.	Capital expenditures	34 550.3	—	—	(183.0)	(194.2)	—	(377.2)	34 173.1
32.	Staff assessment	315 436.7	148.1	469.9	(2 445.4)	(1 514.3)	(1 243.3)	(4 585.0)	310 851.7
34.	Development account	13 065.0	—	—	—	—	—	—	13 065.0
	Total, expenditure estimates (gross)	**2 532 331.2**	**2 764.3**	**5 326.3**	**(27 582.9)**	**(11 687.0)**	**(17 021.6)**	**(48 200.9)**	**2 484 130.3**

B. Biennium 1998–1999 by duty station and main determining factor

(Thousands of United States dollars)

Expenditure sections	*Initial appropriation (resolution 52/221 A)*	*Projected changes*					*Additional requirement/ decrease*	*Revised estimates*
		Unforeseen and extraordinary	*Decisions of policy-making organs*	*Exchange rates*	*Inflation*	*Adjustment to standards*		
New York	1 208 827.2	2 540.7	5 074.6	—	(4 252.3)	(12 658.4)	(9 295.4)	1 199 531.8
Geneva	649 769.0	—	(60.0)	(15 294.6)	(390.5)	(2 225.0)	(17 970.1)	631 798.9
Vienna	106 953.1	—	—	(1 152.0)	(1 114.2)	1 561.5	(704.7)	106 248.4
Santiago	92 739.5	—	—	(5 536.0)	186.5	118.1	(5 231.4)	87 508.1
Addis Ababa	109 903.5	—	—	(2 230.5)	(5 192.2)	(266.0)	(7 688.7)	102 214.8
Beirut (ESCWA)	57 692.0	—	—	697.1	(895.6)	(280.9)	(479.4)	57 212.6
Nairobi	36 733.4	—	—	1 458.6	(129.4)	(911.5)	417.7	37 151.1
Bangkok	73 878.9	—	—	(1 398.7)	3 115.4	(835.0)	881.7	74 760.6
Other duty stations	195 834.6	223.6	311.7	(4 126.8)	(3 014.7)	(1 524.4)	(8 130.6)	187 704.0
Total	**2 532 331.2**	**2 764.3**	**5 326.3**	**(27 582.9)**	**(11 687.0)**	**(17 021.6)**	**(48 200.9)**	**2 484 130.3**

Annex II

Biennium 1998–1999: distribution of estimated additional requirements or decreases by section and main object of expenditure

(Thousands of United States dollars)

Expenditure sections	*Salaries and common staff costs*	*Travel*	*Printing*	*Other contractual services*	*General operating expenses*	*Supplies, materials, furniture and equipment*	*Other*	*Total increase (decrease)*
1A. Overall policy-making direction and coordination	(556.3)	(59.6)	—	(30.3)	(11.9)	(4.4)	(27.2)	(689.7)
1B. General Assembly affairs and conference services	(8 818.3)	(7.1)	(1.1)	(141.8)	(91.2)	(203.3)	87.4	(9 175.4)
2A. Political affairs	(790.5)	(17.4)	(0.9)	(3.1)	(10.6)	(5.1)	—	(827.6)
2B. Disarmament	(319.6)	(4.4)	(0.5)	(0.1)	(1.0)	(0.8)	(8.3)	(334.7)
3. Peacekeeping operations and special missions	(2 540.0)	511.2	—	(0.6)	58.3	700.9	79.8	(1 190.4)
4. Peaceful uses of outer space	(18.2)	(0.9)	—	—	(0.5)	(0.6)	(12.3)	(32.5)
5. International Court of Justice	10.6	(1.0)	—	209.6	(30.0)	(8.9)	—	180.3
6. Legal affairs	(490.4)	(62.8)	(20.8)	(2.1)	(4.0)	(3.2)	(2.9)	(586.2)
7A. Economic and social affairs	(2 130.3)	(133.9)	(5.6)	(1.6)	(17.3)	(10.1)	(5.1)	(2 303.9)
8. Africa: New Agenda for Development	(149.9)	(2.0)	—	(2.8)	(0.3)	(0.2)	—	(155.2)
11A. Trade and development	(2 582.1)	(142.1)	(21.3)	(0.4)	(106.3)	(78.3)	(70.0)	(3 000.5)
12. Environment	(64.7)	(2.5)	—	2.0	11.0	3.4	—	(50.8)
13. Human settlements	(222.8)	(1.0)	4.4	—	6.2	11.6	—	(201.6)
14. Crime control	(50.0)	(1.9)	(1.8)	—	(0.6)	(2.0)	—	(56.3)
15. International drug control	(62.1)	(10.2)	(11.7)	—	(4.8)	(8.3)	—	(97.1)
16A. Economic and social development in Africa	(7 167.8)	(18.8)	(1.7)	(6.6)	(59.8)	(39.9)	(0.7)	(7 295.3)
16B. Regional commissions (New York Office)	(22.7)	(0.3)	—	—	(0.3)	—	—	(23.3)
17. Economic and social development in Asia and the Pacific	667.2	(11.2)	(5.5)	(5.6)	(94.6)	(41.9)	—	508.4
18. Economic development in Europe	(1 211.4)	(23.4)	(7.2)	(7.8)	(6.6)	(23.0)	(46.4)	(1 325.8)
19. Economic and social development in Latin America and the Caribbean	(4 471.4)	(14.4)	(22.4)	(93.5)	(441.3)	(179.9)	—	(5 222.9)

Expenditure sections		Salaries and common staff costs	Travel	Printing	Other contractual services	General operating expenses	Supplies, materials, furniture and equipment	Other	Total increase (decrease)
20.	Economic and social development in Western Asia	(51.5)	(4.0)	(1.1)	(7.1)	(78.7)	(30.3)	—	(172.7)
21.	Regular programme of technical cooperation	—	—	—	—	—	—	(912.5)	(912.5)
22A.	Human rights	(1 057.5)	(288.2)	(7.8)	(2.6)	(20.9)	(16.4)	(1.5)	(1 394.9)
22B.	New York, Missing persons in Cyprus	(15.4)	—	—	—	(8.3)	(0.4)	—	(24.1)
23.	Protection of and assistance to refugees	(913.7)	—	—	—	(38.2)	(3.0)	—	(954.9)
24.	Palestine refugees	583.0	—	—	—	—	—	—	583.0
25.	Humanitarian assistance	(281.2)	(15.6)	—	(3.3)	(9.8)	(4.8)	(35.8)	(350.5)
26.	Communications and public information	(2 125.7)	(10.4)	(0.9)	(119.8)	(132.0)	(75.1)	(2.5)	(2 466.4)
27.	Administrative services	(2 822.5)	(10.5)	(1.9)	(337.3)	(1 687.4)	(184.2)	(247.4)	(5 291.2)
A.	Administration, Office of the Under-Secretary-General for Management	(202.1)	(0.7)	—	(0.7)	(0.8)	(0.7)	—	(205.0)
B.	Administration, Office of Programme Planning, Budget and Accounts	(366.6)	(0.2)	(0.2)	(5.3)	(3.6)	(3.5)	—	(379.4)
C.	Administration, Office of Human Resources Management	(544.8)	(4.9)	(0.4)	(120.8)	(2.5)	(5.5)	—	(678.9)
D.	Administration, Support Services	(702.6)	(2.4)	(1.3)	(83.0)	(718.0)	(61.3)	(41.9)	(1 610.5)
F.	Administration, Geneva	(1 491.5)	(1.9)	—	(119.4)	(848.4)	(111.5)	(158.6)	(2 731.3)
G.	Administration, Vienna	335.1	(0.2)	—	(11.4)	(274.6)	(49.5)	(46.9)	(47.5)
H.	Administration, Nairobi	150.0	(0.2)	—	3.3	160.5	47.8	—	361.4
28.	Internal oversight	(404.6)	(6.8)	—	(0.2)	(2.4)	(4.1)	—	(418.1)
29.	Jointly financed administrative activities	—	—	—	—	—	—	196.8	196.8
30.	Special expenses	(227.5)	—	—	—	(19.9)	—	94.7	(152.7)
31.	Capital expenditures	—	—	—	—	—	—	(377.2)	(377.2)
32.	Staff assessment	(4 585.0)	—	—	—	—	—	—	(4 585.0)
	Total, expenditure estimates (gross)	**(42 892.3)**	**(339.2)**	**(107.8)**	**(555.0)**	**(2 803.2)**	**(212.3)**	**(1 291.1)**	**(48 200.9)**

Annex III

Explanation of changes for matters listed under paragraph 12, decisions of policy-making organs

Section 3. Peacekeeping operations and Special missions

(a) Office of the Special Envoy of the Secretary-General in Sierra Leone

1. Prior to the establishment of the United Nations Observer Mission in Sierra Leone (UNOMSIL), the General Assembly, in its resolution 52/221 of 22 December 1997, *inter alia*, approved, under section 3 of the programme budget for the biennium 1998–1999, an appropriation of $889,100 gross ($827,800 net) for the financing of the Office of the Special Envoy of the Secretary-General for Sierra Leone for 1998. The Security Council, in its resolution 1181 (1998) of 13 July 1998, decided to establish the United Nations Observer Mission in Sierra Leone; it further decided that UNOMSIL should be led by the Special Envoy of the Secretary-General, who would be designated Special Representative for Sierra Leone, and that UNOMSIL should assume the office of the Special Envoy and its civilian staff. In the light of the Security Council resolution, expenditures as at 13 July 1998, related to the office of the Special Envoy, theretofore designated as Special Representative, had been included in the financing of the United Nations Observer Mission in Sierra Leone, as contained in the report of the Secretary-General dated 2 October 1998 on the subject (A/53/454). From the appropriation granted by the Assembly under the regular budget, estimated expenditures for the period from 1 January to 12 July 1998 amounted to $588,600, resulting in a reduction of requirements under the regular budget of $239,200.

(b) Matters of which the Security Council is seized

(i) Office of the Representative of the Secretary-General in Cambodia

2. In a letter dated 13 November 1998 (S/1998/1086), addressed to the President of the Security Council, the Secretary-General had indicated that, as soon as a new government was established, and subject to the approval of the Prime Minister of the Government of Cambodia, he proposed to further extend the Office of his Representative for a period of 12 months in order to continue its current functions, in keeping with the spirit and principles of the Paris Agreements. In a letter dated 17 November 1998 (S/1998/1087), the President of the Security Council indicated that the proposal of the Secretary-General had been brought to the attention of the members of the Security Council, who agreed with it.

(ii) United Nations Peace-building Support Office in Liberia

3. In a letter dated 11 November 1998 (S/1998/1080) addressed to the President of the Security Council, the Secretary-General indicated, *inter alia*, that, in view of the important and very positive role played by the United Nations Peace-building Support Office in Liberia (UNOL), as well as the country's continuing need for special support, it was his intention to extend the mandate of UNOL for a further year, until the end of December 1999. In a letter dated 16 November 1998 (S/1998/1081), the President of the Security Council informed the Secretary-General that the members of the Council had taken note of the Secretary-General's intention.

(iii) United Nations Office in Burundi

4. In a letter dated 11 November 1998 (S/1998/1084), addressed to the President of the Security Council, the Secretary-General indicated, *inter alia*, that, since its establishment, the United Nations Office in Burundi had played an active and constructive role in improving, through seminars and other confidence-building activities, the relationships between the major political actors within Burundi, and that it had also assisted with the national debate and the internal negotiations which had culminated in June 1998 in the adoption of a political partnership and the formation of a transitional, broad-based government. Following the third round of the Arusha talks, there was a need for the United Nations Office in Burundi to continue to monitor the internal political and security situation, which was still fragile, and to help create an enabling environment for sustained commitment by Burundians to negotiate in good faith during the subsequent rounds. In view of the important role the United Nations Office in Burundi was playing at that crucial stage of the peace process, the Secretary-General indicated that it was his intention to extend the mandate of the Office until the end of December 1999.

5. In a letter dated 17 November 1998 (S/1998/1085), the President of the Security Council informed the Secretary-General that the members of the Security Council had taken note of the Secretary-General's intention.

(iv) Special Envoy of the Secretary-General in Africa and the Representative and Regional Humanitarian Adviser of the Secretary-General for the Great Lakes Region

6. In a letter dated 12 December 1997 (S/1997/994), addressed to the President of the Security Council, the Secretary-General referred to the situation in the Great Lakes region and Central Africa, and to the need to adjust the United Nations political presence in that region to the new environment brought about by the momentous changes that had taken place there since the beginning of the year. Since the United Nations contribution to the regional mediation concerning Burundi and to the international peace initiatives which accompanied the changes of regime in the Democratic Republic of the Congo and the Republic of the Congo had been largely carried out by Mr. Mohammed Sahnoun, in his capacity as Joint United Nations/Organization of African Unity Special Representative for the Great Lakes Region of Africa, the Secretary-General sought the Council's concurrence with a new mandate for Mr. Sahnoun in Africa, as well as for a new political and humanitarian presence for the United Nations in the Great Lakes region, in the person of Mr. Berhanu Dinka.

7. As the Special Envoy of the Secretary-General, Mr. Sahnoun would continue to follow closely developments in Central Africa, including the Great Lakes region, and would also lend his support to existing peacemaking and peace-building initiatives there, and give special attention to Burundi. In addition, he would be available for preventive and other missions that the Secretary-General might request him to undertake in other regions of Africa, as needed. Mr. Dinka, in his capacity as the Secretary-General's Representative, would represent the Secretary-General in meetings held in the region, monitor developments and their implications for peace and regional security, and seek to contribute to regional efforts in the prevention or peaceful settlements of conflicts. With specific regard to Burundi, he would oversee the political activities of the United Nations in that country, and support ongoing political initiatives for Burundi both inside and outside the country. In carrying out his functions, Mr. Dinka would consult with the Special Envoy in Africa, as required.

8. The Council was also informed that the estimated two-year cost of the Special Envoy to Africa and the Representative of the Secretary-General and Regional Humanitarian

Adviser for the Great Lakes Region for the biennium 1998–1999 would amount to $890,000 and $3 million, respectively.

9. In a letter dated 19 December 1997 (S/1997/995), addressed to the Secretary-General, the President of the Security Council indicated, *inter alia*, that the members of the Security Council supported the Secretary-General's proposals and that they looked forward to being kept closely informed of the work of the Special Envoy and the Representative and Regional Humanitarian Adviser for the Great Lakes Region.

10. As indicated in paragraph 11 (a) (i) a. above, the activities in 1998 of the Special Envoy ($76,900) and the Representative and Regional Humanitarian Adviser for the Great Lakes Region ($770,000) had been funded from the commitment authority granted by the Assembly to the Secretary-General under resolution 52/223 on unforeseen and extraordinary expenditures. The estimated expenditures for 1999 would amount to $254,600 for the Special Envoy and $1,331,100 for the Representative and Regional Humanitarian Adviser for the Great Lakes Region. In respect of the latter, in his capacity as Regional Humanitarian Adviser, extrabudgetary resources amounting to $581,000 were also made available in 1998 to the Special Representative for humanitarian activities undertaken on behalf of the Office for the Coordination of Humanitarian Affairs. Similar extrabudgetary provisions are anticipated for 1999.